

AMENDED IN ASSEMBLY APRIL 10, 2014

AMENDED IN ASSEMBLY APRIL 2, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2138

Introduced by Assembly Member Gatto

February 20, 2014

An act *to* add Article 4.5 (commencing with Section 12045) to Chapter 1 of Part 2 of Division 3 of Title 2 of the Government Code, relating to innovation awards, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2138, as amended, Gatto. Innovation awards.

Existing law authorizes the Department of Human Resources to make awards to current or retired state employees for proposing procedures or ideas that are adopted and put into effect and result in eliminating or reducing state expenditures or improving operations, or for making exceptional contributions to the efficiency, economy, or other improvement in the operations of state government.

This bill would require the Governor to designate 3 state agencies to participate in a pilot program in 2015 to award cash prizes to eligible participants in innovation contests. The bill would require each designated *state* agency to establish and administer an innovation contest, as prescribed, and, on or before January 1, 2016, award a ~~\$25,000~~ prize *of up to \$25,000* to a participant the state agency determines to have submitted the entry that best addresses the subject of the contest, in accordance with standards established by the state agency, and has the highest likelihood of being adopted and placed in effect. The bill would appropriate \$75,000 from the General Fund to

the Governor for allocation to the designated state agencies for those awards. *The bill would require, if the designated state agency deems that no participant has addressed the subject of the contest, or if it awards a prize of less than \$25,000, that unawarded prize money revert to the General Fund.*

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 4.5 (commencing with Section 12045) is
2 added to Chapter 1 of Part 2 of Division 3 of Title 2 of the
3 Government Code, to read:

4
5 Article 4.5. Innovation Awards
6

7 12045. (a) The Governor shall designate three state agencies
8 to participate in a pilot program to award cash prizes to participants
9 in an innovation contest established by each designated agency
10 pursuant to this article.

11 (b) A sum in the amount of seventy-five thousand dollars
12 (\$75,000) is hereby appropriated from the General Fund to the
13 Governor, for allocation to three state agencies designated by the
14 Governor in accordance with subdivision (a), for the award by
15 each designated state agency of a twenty-five-thousand-dollar
16 (\$25,000) prize in the contests described in this article.

17 (c) The innovation contests shall be open to all residents of
18 ~~California, 18 years of age or older, California~~ who are not
19 employees of the state.

20 (d) The innovation contests shall be held in 2015.

21 (e) Each state agency designated by the Governor in accordance
22 with subdivision (a) shall determine the specific subject of the
23 innovation contest to be held by the agency, which may include
24 proposals that detail a procedure, plan, design, or idea to contribute
25 to the efficiency, economy, or other improvement in the operations
26 of the state agency, including, *but* not limited to, streamlining an
27 existing process or system of the state agency or the design of a
28 feedback system for the state agency.

29 (f) Each designated state agency shall administer its innovation
30 contest, including, but not limited to, publicizing the contest and

1 determining the standards for participation and award. Each
2 designated state agency may adopt rules and regulations to carry
3 out this article.

4 (g) On or before January 1, 2016, each designated state agency
5 shall award a ~~twenty-five-thousand-dollar (\$25,000)~~ prize *of up*
6 *to twenty-five thousand dollars (\$25,000)* to the participant the
7 agency determines to have submitted the entry that best addresses
8 the subject of the contest, in accordance with the standards
9 established by the agency, and has the highest likelihood of being
10 adopted and placed in effect. *If the designated state agency deems*
11 *that no participant has addressed the subject of the contest in*
12 *accordance with this subdivision, or if it awards a prize of less*
13 *than twenty-five thousand dollars (\$25,000), unawarded prize*
14 *money shall revert to the General Fund.*

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